Income tax rebate on construction cost of houses

544. MISS MABEL REBELLO:
SHRI SURESH KALMADI:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government are considering a proposal to allow 100 per cent rebate of income tax on construction cost of houses and similar tax concessions on housing loans;

(b) whether Government have agreed to redefine the real estate sector as infrastructure industry and include social infrastructure in it; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI V. DHANANJAYA KUMAR): (a) A number of representations have been received from various quarters for enhancing the rebate to meet the cost of houses and housing loans. These suggestions have been duly considered by the Government as a part of pre- budget exercise.

(b) Government's response, if any, in this regard would be contained in the finance Bill 2000, being presented today.

(c) Does not rise in view of (b) above.

Repercussions of cut in interest ratio on small savings

545. SHRI A. VIJAYA RAGHAVAN:
SHRI P. PRABHAKAR REDDY:
MISS MABEL REBELLO:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government have reduced the interest rates of several categories of postal deposit schemes and other small savings;

(b) if so, the details thereof and the reasons therefor;

(c) whether, before effecting the cut, its repercussions on the value of small deposit were considered together with the reaction of the